

PROGRAM TO STRENGTHEN TECHNICAL AND TECHNOLOGICAL TRAINING

(BO-0197)

EXECUTIVE SUMMARY

Borrower and guarantor:	Republic of Bolivia	
Executing agency:	Ministry of Education, Culture, and Sports (MECyD)	
Amount and source:	IDB: (FSO)	US\$6,000,000
	Local:	US\$1,500,000
	Total:	US\$7,500,000
Terms and conditions:	Amortization period:	40 years
	Grace period:	10 years
	Disbursement period:	36 months
	Interest rate:	1% during grace period 2% during amortization period
	Inspection and supervision:	1%
	Credit fee:	0.5%
Objectives:	The general program objective is to design a technical and technological training system (SFTT) aimed at strengthening quality formal and alternative education that is relevant to the workplace, backed by an efficient institutional and legal framework.	
Description:	<p>To achieve its objectives, the program was designed with three components: (i) formulating an SFTT policy; (ii) implementing innovative projects for policy-making; and (iii) support for technical training policy.</p> <p>Component 1: Formulating an SFTT policy (US\$1,446,300). The objective of this component is to define, through a participatory consensus-based process, the legal framework and the design for a new institutional framework for the SFTT. To achieve this objective, the following subcomponents will be carried out: (i) organizational and legal design; (ii) financing methods; (iii) teaching staff; and (iv) system structure and organization of the curriculum.</p>	

Component 2: Implementing innovative projects for policy-making (US\$3,213,720). The objective of this component is to implement three pilot projects that help identify innovative approaches and new learning methods to support the design of the SFTT policy. The component will consist of the following subcomponents: (i) technical training for young dropouts; (ii) delegated management model in three public post-secondary technical schools; and (iii) technical training with a gender approach.

Component 3: Support for technical training policy (US\$1,740,200). The objective of this component is to design and execute supporting tools for designing the SFTT policy. It has three subcomponents: (i) public information strategy; (ii) developing a SFTT information subsystem; and (iii) strategic plan for implementing the SFTT.

The Bank's country and sector strategy:

The proposed innovation program is consistent with the Bank and country strategy because it will support a technical and technological training policy as an essential element for developing skills in human resources that are in line with the demands of the productive sector, and will strengthen the sector's institutional capacity to implement reforms.

Environmental and social review:

The program will have no direct environmental impact.

Benefits:

The program will specifically help to design a reform proposal for the country's SFTT aimed at training human resources, thereby spurring the country's growth and social and economic development in the context of the increased competitiveness currently required by globalization. The proposal, in conjunction with the ongoing education reform in Bolivia, will help to deepen it by enhancing technical and technological training and organizing it as a valid option for education and training.

The program will also help strengthen dialogue and consensus-building mechanisms among stakeholders in the public sector, private sector, and civil society, as a potential practice for public policymaking and for its oversight and social control, thereby supporting the strengthening of democratic institutions in the country.

Through the studies and pilot projects to be carried out, the program will help produce, strengthen, and disseminate innovative methodological approaches and elements to be included in designing SFTT reform, while at the same time updating and strengthening the capacities of the various stakeholders.

Risks:

The program will be executed in a very complex institutional framework since, as currently organized, the roles and responsibilities for the SFTT in the MECyD are assigned to three different deputy minister's offices and there are many different stakeholders. In addition, the innovative nature of the program and the need to coordinate different lines of action among program components will be a challenge both in terms of revising and updating approaches and of openness to new implementation methodologies. To mitigate this risk, an Intraministerial Board was established, made up of the three deputy minister's offices, the general coordination office of the Program Coordination Unit (PCU), and the MECyD, which will act as chair. The Board, which will meet periodically, will be the body in which the authorities participate in strategic decision-making and will provide political support for the consensus-building required for system design.

Another risk is that the program will begin in the final phase of the current administration, with the ensuing uncertainty that arises at times of political transition. To mitigate this risk, the program will include dissemination and consensus-building activities to demonstrate the importance of the program and to obtain commitments on the following: (i) institutionalizing the public institutions established, such as the Intraministerial Board and the PCU, by demonstrating their efficient, transparent performance; (ii) continuing, at the pace called for under the program, the SFTT design process as a long-term public policy with a horizon that extends beyond a single administration; and (iii) the necessary planning so that the program, by being registered with the Ministry of the Treasury, is programmed in the budget for this and future fiscal years.

One innovative element of the program is its highly participatory nature. However, this could generate great tension and conflicts of established interests between the State and civil society and among members of civil society. To mitigate this risk, each line of action, and particularly the first component, includes consensus-building activities designed to produce concrete results, avoiding fruitless discussion and debate. In addition, the design and implementation of a public information strategy will be the main instrument for raising awareness among the different stakeholders, gaining strategic partners, and preventing or helping to resolve potential conflicts.

Special contractual clauses:

As a condition precedent to the first disbursement, the executing agency must present evidence to the Bank's satisfaction that: (i) the model agreement between the administrative agency and the MECyD has been approved (see paragraph 2.15); (ii) the model agreement between the MECyD and the delegated institutions has been approved

(see paragraph 2.22); (iii) the PCU has been established and the necessary consultants hired to staff it (see paragraph 3.3); (iv) a contract (or contracts) or agreement(s) have been signed by the MECyD and a consulting firm or the individual consultant(s) responsible for general technical assistance for the program (see paragraph 3.4); (v) the Operating Regulations (OR) agreed upon with the Bank have entered into force (see paragraph 3.7); and (vi) a proposed program monitoring and evaluation system has been prepared (see paragraph 3.13).

Poverty-targeting and social sector classification:

This operation qualifies as a social equity enhancing project, as described in the key objectives for Bank activity set forth in the Report on the Eighth General Increase in the Resources of the Bank (document AB-1704) (see paragraph 2.37).

Exceptions to Bank policy:

None

Procurement:

For the procurement of goods and services to be financed with the proceeds of the proposed loan, current Bank thresholds and procedures will be followed and will be part of the loan contract. Services will be hired pursuant to Annex C to the loan contract and goods will be procured and construction contracts awarded in accordance with Annex B to the contract.

International publicity will be required for the hiring of consulting services using loan proceeds for amounts over US\$200,000; the procurement of goods with program financing for amounts equal to or greater than US\$250,000; and the awarding of construction contracts with program resources in amounts equal to or greater than US\$1 million.